

**EXEMPTION FROM AD VALOREM TAXATION OF PROPERTY
USED TO COLLECT, PROCESS, AND DELIVER LANDFILL-
GENERATED GAS**

CHAPTER 1244

H.B. No. 994

AN ACT

relating to the exemption from ad valorem taxation of property used to collect, process, and deliver landfill-generated gas.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Sections 11.311(a) and (d), Tax Code, are repealed.

SECTION 2. The heading to Section 11.311, Tax Code, is amended to read as follows:

Sec. 11.311. ~~[TEMPORARY EXEMPTION:]~~ LANDFILL-GENERATED GAS CONVERSION FACILITIES.

SECTION 3. Section 11.311, Tax Code, is amended by amending Subsection (b) and adding Subsections (e) and (f) to read as follows:

(b) A person is entitled to an exemption from taxation of *tangible* ~~[the real and]~~ personal property the person owns that is located on or in close proximity to a landfill and is used to:

- (1) collect gas generated by the landfill;
- (2) compress and transport the gas;
- (3) process the gas so that it may be:
 - (A) delivered into a natural gas pipeline; or
 - (B) used as a transportation fuel in methane-powered on-road or off-road vehicles or equipment; and
- (4) deliver the gas:
 - (A) into a natural gas pipeline; or
 - (B) to a methane fueling station.

(e) *Property described by Subsection (b) shall be appraised as tangible personal property for ad valorem tax purposes, regardless of whether the property is affixed to or incorporated into real property.*

(f) *This section may not be construed to exempt from taxation tangible personal property located on or in close proximity to a landfill that is not used in the manner prescribed by Subsection (b).*

SECTION 4. The change in law made by this Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 5. This Act takes effect January 1, 2016.

Passed by the House on April 22, 2015: Yeas 124, Nays 20, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 994 on May 26, 2015: Yeas 114, Nays 32, 2 present, not voting; passed by the Senate, with amendments, on May 21, 2015: Yeas 28, Nays 3.

Approved June 20, 2015.

Effective January 1, 2016.